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Janet McCarthy-Wilson  
President & CEO

January 13, 2005

G. John Heyer  
1421 Jefferson Davis Highway  
Jefferson Plaza 2, Suite 10800  
Arlington, VA 22202

Re: Goodwill Opposes Rulemaking Proposed by Committee for Purchase

Dear Mr. Heyer:

On behalf Goodwill Industries of Long Beach and South Bay, we are writing to express our opposition to the proposed notice of rulemaking [Docket No. 2004-01-01] from the President's Committee for Purchase from People Who Are Blind or Severely Disabled. The proposed rulemaking on governance standards for central nonprofit agencies and nonprofit agencies participating in the Javits-Wagner-O'Day (JWOD) Program exceeds the scope of the Committee's authority and Congressional mandate.

Goodwill Industries of Long Beach and South Bay has served individuals with disabilities and barriers to employment for the past 76 years through education, skill development and work opportunities. We value all people and believe that work is essential to life. We support diversity, inclusion and an individual's transition to family-sustaining employment. In the past year, we have served nearly 5,000 individuals and placed over 1,200 individuals in to temporary and or permanent employment.

While we currently are not a participating JWOD agency, we are a member agency of Goodwill Industries International (GII) and one of 207 independently incorporated and managed, community-based, nonprofit, workforce development organizations in the United States, Canada and 22 other countries, and we support the efforts of many of our sister Goodwill's that are participating JWOD agencies.

The authorizing statute for the JWOD program clearly delineates the powers and responsibilities of the Committee (41 CFR 51-2.2, 41 U.S.C. § 46). These powers and responsibilities do not extend to governance standards or executive compensation.

Both Congress and the Internal Revenue Service (IRS) have jurisdiction over these



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Goodwill is a community resource, providing skill development and work opportunity, to help people feel whole through the power of work

areas. The Committee is mandated with determining which commodities and services should be on the Committee's procurement list and fair market prices, and informing federal agencies about the JWOD program.

We would hope that the Committee would comply fully with the Congressional intent to provide employment and training opportunities for persons who are blind or have other severe disabilities and not delve into areas for which it lacks both the Congressional and statutory authority necessary to promulgate governance and other standards. The proposed rules will impact the entire community of participating nonprofit agencies, despite the Committee's own comment that the overwhelming majority of JWOD-affiliated central nonprofits agencies and nonprofit agencies operate in an ethical and accountable manner.

The statutory authority and regulations, as well as the legislative history, in addition to the applicable federal case law, do not support the Committee's actions. Furthermore, we have concerns understanding the rationale for the Committee to purport to assume regulatory authority over the governance standards for nonprofit, tax-exempt 501 (c) (3) organizations, because numerous federal entities exist to regulate these organizations.

We believe that the proposed rules do not advance the Congressional intent of the enacting JWOD legislation, and would, if adopted, diminish the program's ability to increase employment opportunities for the blind and disabled. We respectfully request that the Committee withdraw these rules.

Sincerely,



Janet McCarthy-Wilson